

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA

**FELONY**

**BILL OF INFORMATION FOR CONSPIRACY TO COMMIT THEFT OF  
GOVERNMENT FUNDS AND TO SUBMIT A FALSE DOCUMENT  
TO A DEPARTMENT OF THE UNITED STATES**

UNITED STATES OF AMERICA	*	CRIMINAL NO. 12-231
v.	*	SECTION: I
JON JOHNSON	*	VIOLATIONS: 18 U.S.C. §371
	*	
	*	
	*	

The United States Attorney charges that:

**COUNT 1**  
**CONSPIRACY**

**A. AT ALL TIMES MATERIAL HEREIN:**

1. The defendant, **JON JOHNSON**, controlled the operations and the finances of Ninth Ward Housing Development Corporation (“Ninth Ward”), a non-profit organization with which he, **JON JOHNSON**, was affiliated.

2. Ninth Ward owned a building located at 1008 Jourdan Avenue in the Ninth Ward neighborhood of New Orleans, Louisiana, a location within the Eastern District of Louisiana. Ninth

Ward's property at 1008 Jourdan Avenue was commonly referred to and known as "The Semmes Building."

3. The Semmes Building, a three story structure, was formerly a school, the first floor of which was flooded as a result of Hurricane Katrina on or about August 29, 2005. The second and third floors, including the roof, sustained less severe damage as a result of Hurricane Katrina.

4. The Federal Emergency Management Administration ("FEMA"), was an agency of the government of the United States of America.

5. After Hurricane Katrina, FEMA made federal grant funds available to certain qualifying individual property owners, civic municipalities, and businesses whose properties and possessions had been damaged and destroyed as a result of the flooding that occurred following Hurricane Katrina.

6. Among the federal grant funds that FEMA made available to applicants were grants specifically designated to assist "private non-profits," that is, non-governmental non-profits that represented to FEMA their primary objectives to be community involvement and improvement. These grants were referred to by FEMA as Public Assistance Grants.

7. The distribution of FEMA's disaster recovery funds was managed by a combination of private sub-contractors, State of Louisiana disaster recovery agencies, and FEMA itself. Among the State of Louisiana's disaster recovery agencies was the Governor's Office of Homeland Security and Emergency Preparedness ("GOHSEP"). In all instances relevant to this Bill of Information, the various sub-contractors and State of Louisiana disaster recovery agencies, including GOHSEP, were working with and on behalf of FEMA in an effort to efficiently and appropriately distribute federal grant funds.

8. On or about March 1, 2006, Ninth Ward filed its initial Request for Public Assistance (Form-90-49) with FEMA. As a result of this initial Request, FEMA opened a Project Worksheet, on or about March 20, 2006.

9. As a result of this initial Request, FEMA and GOHSEP began processing Ninth Ward's application, preliminarily approving Ninth Ward for a gutting and mold remediation project for the first floor of the Semmes Building in and around the Fall of 2006.

10. The defendant, **JON JOHNSON**, was a candidate for Louisiana State Senate in District 2 for the election that took place on October 20, 2007.

11. The New Orleans Health Corporation ("NOHC") was a non-profit with which the defendant, **JON JOHNSON**, was affiliated and over which he exerted executive control and influence. The defendant, **JON JOHNSON**, also held check-signing authority over an NOHC checking account.

12. The Housing and Urban Development Agency ("HUD") was an agency of the government of the United States of America.

13. After Hurricane Katrina, HUD made federal grant funds available to certain qualifying businesses and non-profits whose properties and possessions had been damaged and destroyed as a result of the flooding that occurred following Hurricane Katrina. These funds were administered and distributed by HUD and the Louisiana Economic Development Agency ("LED"), an agency of the State of Louisiana, which at the time was tasked with facilitating the distribution of these HUD grants.

14. Ninth Ward submitted to HUD an application for grant funds and twice received federal grant funds for the exclusive and sole purpose of re-establishing and assisting Ninth Ward.

The first HUD grant of approximately \$9,634.00 was deposited into a Ninth Ward bank account on or about May 14, 2007. The second HUD grant of approximately \$9,634.00 was deposited into the same Ninth Ward bank account on or about May 12, 2008.

15. The defendant, **JON JOHNSON**, owned and resided in a house located within the City of New Orleans, Louisiana, a location within the Eastern District of Louisiana. As a result of Hurricane Katrina and the flooding that followed, **JON JOHNSON's** personal residence sustained flood and storm damage.

16. The Small Business Administration ("SBA") was an agency of the government of the United States of America. Following Hurricane Katrina, the SBA provided low-interest loans to private homeowners whose homes had been damaged as a result of Hurricane Katrina.

17. On or about June 24, 2006, the defendant, **JON JOHNSON**, applied for a disaster assistance loan from the SBA to help pay for expenses associated with repairing the damage his home had sustained during and as a result of Hurricane Katrina.

## **B. THE CONSPIRACY**

1. From on or about March 1, 2006 through on or about July 29, 2008, in the Eastern District of Louisiana and elsewhere, the defendant, **JON JOHNSON**, did knowingly and willfully conspire, confederate and agree with other persons known and unknown to the United States Attorney:

a. to knowingly convert to his personal use and the use of others money and things of value of the United States, specifically its agency known as the Federal Emergency Management Agency, in violation of Title 18, United States Code, Section 641;

b. and, to willfully and knowingly make and cause to be made, and use and cause to be used, in a matter within the jurisdiction of the SBA, a department and agency of the United States, a false writing or document, knowing the same to contain materially false, fictitious, and fraudulent statements, in violation of Title 18, United States Code, Section 1001.

**C. OBJECT OF THE CONSPIRACY**

It was an object of the conspiracy that from on or about March 1, 2006 and continuing through on or about July 29, 2008, in the Eastern District of Louisiana and elsewhere, the defendant, **JON JOHNSON**, did knowingly and willfully conspire and agree with other persons known and unknown to the United States Attorney to convert to his personal use money and funds belonging to the United States by misusing the money and funds provided by FEMA to Ninth Ward by using that money and those funds to pay for expenses incurred by his campaign for the Louisiana State Senate in the summer and fall of 2007 as well as other expenditures unrelated to Ninth Ward. It was a further object of the conspiracy that the defendant, along with others known to the United States Attorney, did conspire to submit false and fabricated invoices to the SBA purportedly in support of a low interest disaster loan that the SBA had made to the defendant for renovation work that had been performed on the defendant, **JON JOHNSON's**, personal residence.

**D. OVERT ACTS IN FURTHERANCE OF THE CONSPIRACY**

On or about the dates below, in furtherance of the conspiracy and to effect the unlawful objects thereof, the defendant, **JON JOHNSON**, and others known and unknown to the United States Attorney, committed and caused to be committed the following Overt Acts, among others, in the Eastern District of Louisiana and elsewhere:

1. On or about March 1, 2006, the defendant, **JON JOHNSON**, along with Individual

A, an individual known to the United States Attorney and who was employed by **JOHNSON** to perform a variety of tasks, submitted to FEMA a Request for Public Assistance on behalf of Ninth Ward. This Request initiated Ninth Ward's application process in order to qualify the non-profit for financial assistance from FEMA, as reimbursement for gutting the Semmes Building.

2. The application was completed and submitted through the direction of the defendant, **JON JOHNSON**, and the actions of Individual A, and others known and unknown to the United States Attorney.

3. Between in and around December 2006 and in and around March 2007, the defendant, **JON JOHNSON**, hired individuals known and unknown to the United States Attorney to perform debris removal and to gut all three (3) floors of the Semmes Building, located at 1008 Jourdan Avenue.

4. On or about April 9, 2007, the defendant, **JON JOHNSON**, caused Individual A to submit to FEMA a Reimbursement Request on Ninth Ward's behalf. This request sought compensation for Ninth Ward's expenses with respect to the debris removal and gutting of the Semmes Building.

5. In the Reimbursement Request the defendant, **JON JOHNSON**, caused Ninth Ward, to state that the non-profit had paid \$136, 948.91 for the debris removal and gutting of the Semmes Building.

6. On or about July 31, 2007, at the defendant, **JON JOHNSON's**, direction approximately \$106,967.52 in grant funds were deposited into a Ninth Ward bank account.

7. On or about May 16, 2008, at the defendant, **JON JOHNSON's**, direction approximately \$33,068.70 in grant funds were deposited into a Ninth Ward bank account.

8. The defendant, **JON JOHNSON**, personally and exclusively directed the use and misuse of the federal funds received by Ninth Ward. At the defendant's direction, the federal funds received from FEMA were used to make contributions to and pay expenses for his campaign for the Louisiana State Senate in the summer and fall of 2007 and for other expenditures unrelated to Ninth Ward.


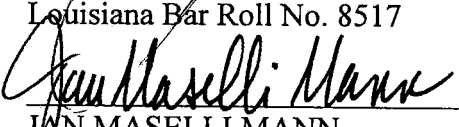
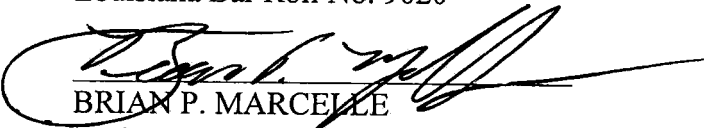
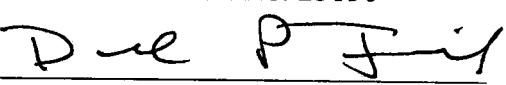
9. Between on or about September 10, 2007 and on or about September 27, 2007, at the defendant, **JON JOHNSON's**, direction approximately \$16,640 was transferred from Ninth Ward to the NOHC checking account over which the defendant, **JON JOHNSON**, had signatory authority.

10. The defendant, **JON JOHNSON**, personally and exclusively directed the use and misuse of the federal funds received by Ninth Ward and directed to NOHC. At the defendant's direction, the NOHC funds received from Ninth Ward were used to make contributions to and pay expenses for his campaign for the Louisiana State Senate in the summer and fall of 2007 and for other expenditures unrelated to NOHC.

11. In or around the fall of 2006, the defendant, **JON JOHNSON**, hired Contractor 1 to renovate his personal residence. The work that Contractor 1 was hired to perform included a complete renovation of the first floor and partial renovations of the second and third floors of **JOHNSON's** personal residence.

12. On or about July 29, 2008, the defendant, **JON JOHNSON**, along with others known and unknown to the United States Attorney, submitted to representatives of the SBA three (3) false and fabricated contracts that he claimed to have executed with Contractor 1 for repairs made to the defendant's personal residence. These false and fabricated contracts were delivered by the defendant, **JON JOHNSON**, to the SBA in an effort to document the manner in which the defendant had spent a low-interest loan the SBA had provided to him. The contracts were created solely for submission to the SBA and did not represent or reflect the amounts paid to Contractor 1 for the work performed on the defendant's personal residence;

all in violation of Title 18, United States Code, Section 371.

  
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July 18, 2012